GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1730
ANSWERED ON:10.03.2017
Proportion of Expenditure
Choudhary Col. (Retd) Sona Ram

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that proportion of expenditure which is mandated to States/UTs in the name of entitlements are increasing over the years;

(b) if so, the details thereof;

(c) whether the State Government of Rajasthan has requested for the release of compensation on the mandated expenditure; and

(d) if so, the details thereof and the action taken thereon?

Answer

MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) to (d): As per the Union Budget documents, entitlements of States/UTs mandated in the form of Central transfers comprising devolution of Central taxes/duties to the States and Central grants have been increasing over the years. Further, the biggest ever increase from 32% to 42% in the share of States in divisible pool of Central taxes/duties due to implementation of recommendation of 14th Finance Commission would enable the States (including Rajasthan) to have extra fiscal space. This in turn would allow the States to utilize the same as per their contextual requirements. The Union Government has not received any specific proposal from the State Government of Rajasthan for the release of compensation on the mandated expenditure.

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